

# Utah Insurance Department

## Content Standards

### Group Annuity

NOTE: These Standards are provided to assist the insurer in filing forms and rates. They are not intended to be all inclusive and are a work in progress. References beginning with "31A" refer to the insurance code as part of Utah Code Annotated (U.C.A.) and those beginning with "R590" refer to department rules as part of the Utah Administrative Code (U.A.C.). The comments are a brief synopsis of the referenced material and do not contain all requirements or exceptions. All references should be reviewed for compliance. **As required by U.C.A. § 31A-21-201(2), the insurer is responsible for assuring that forms and rates submitted are in compliance with the Utah Insurance Code and Rules.**

**When filing group annuity certificates that are marketed individually, refer to the Individual Annuity Content Standards and appropriate law and rules for nonforfeiture requirements.**

GENERAL REQUIREMENTS		
Accurate, Consistent & Complete Filing Data	31A-2-202(6) R590-227-5	All filing information and data must be accurate, complete and consistent within all filing documents. The data page must contain amounts consistent with the actuarial memorandum and demonstration of values. Failure to comply may subject the insurer to enforcement penalties under 31A-2-308.
Agency	31A-23a-410	The policyholder is considered an agent for the insurer if the policyholder performs certain functions for the insurer.
Amendments or Endorsements	31A-21-106(2)	The contract may not be modified unless the modification is in writing and agreed to by the party against whose interest the modification operates.
Application and Enrollment Forms	31A-21-201(3)	The application and enrollment form must identify the insurer's name and address. The individual application or enrollment form must disclose that the individual is applying for group insurance and it must identify the master policyholder. The application or enrollment form may not contain vague health questions without a time limit. Negative enrollment or negative consent is not allowed.
Arbitration	31A-21-314 R590-122 Bulletin 96-8	An arbitration provision must be properly disclosed in the policy, certificate, application and enrollment forms and must be in compliance with law and rules.
Assignment	31A-22-412	An assignment provision must allow the owner of any rights in the policy to assign any of those rights.
Certificate	31A-21-311	An insurer issuing a group insurance policy must provide a certificate for each member of the insured group. The certificate must contain a summary of the essential features of the coverage including any rights of conversion to an individual policy.
Claims Settlement	31A-26-301(1) R590-191-4 R590-191-5	All proceeds and claims settlement provisions must provide for prompt claim handling. Interest must be paid if the claim is not settled within 15 days of completion of the investigation.
Coverage Name, Description & Special Features	31A-21-201(3)(a)	The coverage name or title, a brief description of the coverage and any special features must be disclosed on the contract and certificate cover; i.e. Deferred Annuity.
Data Page	R590-227-7	The data page must disclose the specific data for the coverage including the benefits, amounts, durations, premium information, and any other benefit data applicable to the contract.
Death Benefit	31A-21-201(3)	The policy must clearly describe the death benefit and how the proceeds are determined.
Entire Contract Provision	31A-22-424	Entire contract provision must define the documents and agreements that constitute the entire contract.
Examination Period	31A-22-423	Subject to the exemptions in 41A-22-423(2), the certificate must provide an examination period of 10 days for new issues and 20 days for replacement policy is required. A refund of premium is required upon return of the policy within the examination period.
Filing of Forms	31A-21-201 R590-227-5 R590-227-7	Forms are accepted on a "FILE AND USE" basis. It is the insurer's responsibility that the filing is in compliance with Utah law and rules.

Incontestability	31A-22-403	Incontestability provision states that the policy is incontestable after it has been in force during the lifetime of the insured for a period of two years. The code does not allow an exception for fraud. A survivor policy is incontestable after it has been in force during the lifetime of the surviving insured for a period of two years.
Incorporation by Reference	31A-21-106	Except as provided in 31A-21-106(1)(b), no policy may contain any agreement or incorporate any provision not fully set forth in the policy.
Insurer Name	31A-21-201(3)(a)(iii) 31A-21-301(1)(a)	The exact name of the insurer, the administrative office address, and state of domicile must be identified conspicuously on the policy.
Jurisdiction	31A-1-105(2) 31A-1-301 Bulletin 87-7	Group contracts of insurance issued to nonresident policyholders (i.e., trusts or associations) and evidenced by certificates of insurance issued to Utah residents are subject to the commissioner's jurisdiction as the business of insurance under 31A-1-301 and 31A-1-105(2). The commissioner presumes by law to have jurisdiction over these activities unless the insurer can establish an exemption from regulation under 31A-1-103.
Limitation of Actions	31A-21-313 31A-21-314	Such provisions may not restrict the time for beginning an action to earlier than 60 days and no more than three years from the date the cause of action accrues. The provision may not deny Utah courts of jurisdiction. The provision cannot prescribe in what court an action may be brought.
Misstatement of Age and/or Sex	31A-22-405	Policy must state that if the age and/or sex of the insured is misstated in an application and the error is not adjusted during the person's lifetime, the amount payable is what the premium paid would have purchased at the correct age and/or sex.
Notice of Termination	31A-22-522	Policy requires policyholder to provide a notice of termination in writing 30 days prior to termination of coverage. Notice must include rights to convert.
Payment of Values	R590-98	A request for payment of values must be processed within the allowable time limits.
Premiums	31A-21-302	Premiums for the policy and for each rider must be clearly disclosed separately on the data pages. Policy fees and charges must be disclosed separately.
Proof of Loss	31A-21-312	Proof of loss provision allows the insured or claimant to file the notice and/or proof of loss as soon as reasonably possible. Failure to file within the time specified does not invalidate a claim if the insured or claimant shows that it was not reasonably possible to file within the time specified and that notice and/or proof was filed as soon as reasonably possible. The provision <u>may not</u> state that in no event, except in the absence of legal capacity, may proof be filed later than the time proof is otherwise required.
Settlement Options	31A-22-406	If the policy provides that proceeds may be payable in installments that are determinable at the issue of the policy then it shall provide a table showing the amounts and intervals of the installments.
Unfair, Misleading, Deceptive Provisions.	31A-21-201(3)(a)	Forms may not be inequitable, unfairly discriminatory, misleading, deceptive, obscure, unfair, encourage misrepresentation, or not in the public interest. The policy may not contain inconsistent, ambiguous or misleading clauses.
Variability - (bracketed data)	R590-227-6	Any information that is variable must be bracketed and must be explained in a statement of variability. Any change in the items contained within the brackets must be refiled prior to use.
<b>ACTUARIAL DOCUMENTS</b>		
Actuarial Memorandum, Demonstration, and Certification of Compliance	31A-17 Part 5 31A-22-409 31A-22-515 R590-227-6 R590-227-9	Actuarial memorandum, demonstration, and certification comply with the requirements of the rule and applicable law.
<b>MARKETING and DISCLOSURE FORMS</b>		
Annual Report	R590-227-6	The report must include the beginning and ending dates, the account value and surrender value, and the amounts that have been credited or changed during the report periods.